For Immediate Release Contacts: Patty Henson, WA State DNR March 21, 2006, 1pm 360-902-1023, Cell 360-870-3853

Becky Kelley, Washington Environmental Council

206-622-8103 ext 205

Executive Summary Bob Dick, American Forest Resource Council

Quotes 360-352-3910

State, Environmental Groups Reach Settlement on State Forests Harvest Calculation

Olympia—Parties in a lawsuit that challenged the ten-year sustainable harvest calculation for 1.4 million acres of state forests in western Washington announced a settlement today. The parties of *Washington Environmental Council et al v Sutherland* announced the agreement immediately after today's approval by the Board of Natural Resources (BNR). The settlement agreement has already been approved by each of the governing boards of the plaintiffs. Approval of the agreement paves the way for dismissal of the suit.

The major elements of the settlement agreement are listed in the attached Executive Summary.

Agreement Earns Praise from All Parties

"This settlement is good for the forests and the people of Washington. It provides more protection for older forests which are important to wildlife, increases thinning to improve habitat, and tests innovative forestry that can increase both revenue and environmental benefits," said Joan Crooks, Executive Director of the Washington Environmental Council. "It also gives more certainty to the schools and communities who benefit from these forests."

State Lands Commissioner Sutherland also applauded the agreement. "The real strength of this agreement is that it is guided by best available science, including our federally approved habitat conservation plan. It also serves the best interest of the trust beneficiaries and allows for active stewardship of the state trust lands as directed by the Board of Natural Resources," he said. "I'm very pleased with this outcome," he concluded, speaking for the defendants.

Terry Bergeson, Superintendent of Public Instruction, praised the agreement. A member of the Board of Natural Resources, Bergeson said, "I am very pleased by the problem-solving approach that resulted in the settlement that is before us. I congratulate and thank the department, environmental organizations and industry who worked together for the good of the trust and the public interest. This settlement expands on the work we had done previously, which was grounded in scientific knowledge and informed by an

(MORE)

extensive public process, by providing new opportunities to achieve our vision. It truly represents an agreement that will benefit the state as a whole, and our children and their children into the future." Revenue from state trust timber sales provides funding for construction of K-12 schools, statewide.

Bob Dick, representing the interveners, said, "This agreement allows for a return to implementation of the HCP and sustainable revenue production, within the Department's resources and recognizing the goals of all the parties."

The interveners are also in the process of reviewing and approving the agreement.

The settlement agreement follows a period of meetings and discussions that began in November, 2005. The parties voluntarily joined this process with the intent of better achieving their respective goals through settlement instead of further litigation in the matter.

Key Elements of the Settlement Agreement (see attached summary for detail):

- Increased short-term protection of existing habitat for the northern spotted owl on state trust lands and a clear commitment to enhancement and restoration of spotted owl habitat on those lands;
- Testing of innovative silvicultural practices through demonstration projects and modeling;
- Greater flexibility to proceed with management of trust lands to produce trust revenue consistent with Board of Natural Resources' directions, with reduced likelihood of legal challenges;
- Commitment by all the parties to improved communication and structured dispute resolution in the future: and
- Recalculation of a new harvest level consistent with the agreement.

The agreement is in place until 2014, or whenever the Board of Natural Resources adopts a new sustainable timber harvest level, if later than 2014.

Parties

Defendants were the Board of Natural Resources, the Department of Natural Resources, and Public Lands Commissioner Doug Sutherland.

Plaintiffs were the Washington Environmental Council, National Audubon Society, Conservation Northwest, and the Olympic Forest Coalition.

Intervenors were the American Forest Resource Council, Pacific County, Skamania County, the City of Forks, Quillayute School District No. 160, Pacific County Hospital District No. 2 d.b.a. Willapa Habor Hospital, Snohomish County, Skagit County, and Castle Rock School District No. 401.